

January 27, 1975

PRESIDENT: The amendment passes. Senator Hasebroock.

SENATOR HASEBROOCK: Mr. President, members of the Legislature. LB 42 would change the age at which deferred vested annuities in the judges retirement system commence from age 70 to age 65. This change effects only those employees who terminate prior to retirement and leave their contributions in the system. It does not effect the age at which normal retirements occur. The rationale for this bill is that deferred vested annuities should commence at the earliest normal retirement date under the retirement system. The earliest normal retirement age in the judges retirement system is age 65. This philosophy of providing deferred vested annuities at the earliest normal retirement age is followed in the other major state retirement systems. LB 42 does have a fiscal impact, but it is minor in amount. The number of judges who terminate before retirement and elect to defer annuity is small. The bill increases consistency among the various public employee retirement systems in the State of Nebraska. The bill is amended, as I just said before, to include all judges. The judges of municipalities were inadvertently omitted in the original bill. Appearing in support of the bill of the bill was Kenneth Stinemiller, Director of Public Employees Retirement Board. There was no opposition. LB 42 was advanced to General File as amended on a vote of 5 ayes and no nays. I move that LB 42 be advanced to E & R initial.

PRESIDENT: Any further discussion? The question is, shall LB 42 be advanced to E & R initial. Record your vote. Record the vote Mr. Clerk.

CLERK: 34 ayes, 0 nays, 15 not voting.

PRESIDENT: LB 42 shall so advance.

CLERK: Legislative Bill 47, introduced by the Retirement Systems Committee and signed by the members thereof. (Title read). There are no committee amendments or other amendments pending.

PRESIDENT: Chair recognizes Senator Hasebroock.

SENATOR HASEBROOCK: Mr. President, LB 47 would make several improvements on the County Employees Retirement System. When the County Employees Retirement System was created in 1965, it was modeled on the State Employees Retirement System and many provisions in the two systems were even identical. In the past several years a number of changes have been made in the latter system. The purpose of LB 47 is to incorporate several of these changes into the County Employees Retirement System. The following are changes provided in LB 47, the eligibility requirement of more than 20 hours per week is changed to 20 or more hours per week. Thus half-time employees would be included rather than excluded from the retirement system. Second, disability benefits are provided on the same basis as the State Employees Retirement System. If an employee becomes disabled then the total of the employer and the employees account is used to purchase a disabled life annuity on a money purchase basis. The early retirement age is reduced from 61 to 60. Four, mandatory retirement age is 72 as provided. Five, 100 percent immediate vesting is provided in the event of death before retirement. Previously the vesting percentage was identical to any other termination